

ITEM 10 TENDER T20/24 - PANEL FOR PROVISION OF CONSTRUCTION MATERIALS

This report recommends acceptance tenders for the Provision of Construction Materials to Council in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005. A panel of Suppliers will be engaged for a period of three (3) years with two (2) options of one (1) year each, with such extensions exercisable at Council's discretion.

Seven (7) tenders were received and the report recommends Council accept the tenders submitted by Soilco Pty Ltd, Cleary Bros Bombo Pty Ltd, Buttai Gravel Pty Ltd (T/A Daracon Quarries) and Bulk Materials Australia (Trading as SCE Recycling) to form the panel to meet the needs of Council's forecasted construction material requirements.

Council will use the panel to select the most appropriate suppliers as required for up to a five-year period.

RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tenders from the companies listed as successful in Schedules 1, 2 and 3 for the provision of materials as specified.
- 2 Council delegate to the General Manager, the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Todd Hopwood, Manager Governance and Customer Service
Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

This Provision of Construction Materials Panel is a renewal of an existing panel arrangement established from 2015. The panel provides construction materials to support Council in the delivery of construction activities and maintenance works. The panel arrangement is overseen by the Inventory Supply Team at Central Depot and utilised by City Works construction and maintenance crews, as well as staff from the Open Space and Environment Division (OSES). The panel contains three different schedules -

- 1 Road Base Materials
- 2 Sand and Aggregates
- 3 Soils and Garden Materials

The intention of the panel is to provide Council staff with the materials required to assist in the delivery of day to day tasks from both City Works and OSES staff. The panel will be established for a period of three years with two (2) options of one (1) year each, with such extensions exercisable at Council's discretion.

Tenders were invited for this project by the open tender method with a close of tenders at 10.00 am on Thursday, 28 January 2021.

The tender was a joint panel made up of the four local councils (Kiama, Shellharbour, Shoalhaven and Wollongong) with Wollongong taking the lead role in coordinating the tender. Each council will consider separately the recommended suppliers the panel has recommended and if the recommendations are accepted, each council will enter separate contracts with the suppliers.

Seven (7) tenders were received by the close of tenders. The tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council’s Procurement Policies and Procedures and comprising representatives of the City Works, as well as Governance and Customer Service staff.

Two tenders were deemed to be Non-Conforming by the Panel due to contract departures requested by those respondents, which they failed to withdraw (Benedict Sand and Gravel Pty Ltd and Boral Resources NSW Pty Ltd T/A Boral Quarries & Recycling).

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria and weightings as set out in the formal tender documents:

Mandatory Criteria

- 1 Satisfactory references from referees for previous projects of similar size and scope

Assessable Criteria

- 1 Cost to Council – 60%
- 2 Demonstrated experience and satisfactory performance – 10%
- 3 Demonstrated Quality Management System or Plan – 5%
- 4 Demonstrated WH&S Management System or Plan – 5%
- 5 Demonstrated Environmental Management System or Plan – 5%
- 6 Demonstrated strengthening of local economic capacity – 10%
- 7 Demonstrated Social Value and/or Social Procurement Initiatives – 5%

The mandatory assessment criteria has been met by the four tenderers the panel has recommended.

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then considers pre-determined weightings for each of the assessment criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council.

Four (4) tenderers have been recommended to establish the panel as it was determined that a panel of this size will meet the needs of Council’s requirements.

The three tables below summarise the results of the tender assessment.

TABLE 1 - SUMMARY OF TENDER ASSESSMENT - Road Base Materials

Name of Tenderer	Ranking
Bulk Materials Australia T/A SCE Recycling	Successful
Buttai Gravel Pty Ltd T/A Daracon Quarries Soilco Pty Ltd	Successful
Clearly Bros Bombo Pty Ltd	Successful
Soilco Pty Ltd	Successful
Benedict Sand and Gravel Pty Ltd Dunmore Resources and Recycling Pty Ltd	Non-Conforming
Boral Resources NSW Pty Ltd T/A Boral Quarries & Recycling	Non-Conforming
Dunmore Resources NSW Pty Ltd Boral Resources NSW Pty Ltd	Unsuccessful

TABLE 2 - SUMMARY OF TENDER ASSESSMENT – Sand and Aggregates

Name of Tenderer	Ranking
Buttai Gravel Pty Ltd T/A Daracon Quarries	Successful
Clearly Bros Bombo Pty Ltd	Successful
Benedict Sand and Gravel Pty Ltd	Non-Conforming
Boral Resources NSW Pty Ltd T/A Boral Quarries & Recycling	Non-Conforming
Dunmore Resources and Recycling Pty Ltd Boral Resources NSW Pty Ltd	Unsuccessful
Soilco Pty Ltd	Unsuccessful

TABLE 3 - SUMMARY OF TENDER ASSESSMENT – Soils and Garden Materials

Name of Tenderer	Ranking
Soilco Pty Ltd	Successful
Benedict Sand and Gravel Pty Ltd	Non-Conforming
Boral Resources NSW Pty Ltd T/A Boral Quarries & Recycling	Non-Conforming
Dunmore Resources and Recycling Pty Ltd Boral Resources NSW Pty Ltd	Unsuccessful

PROPOSAL

Council accept the tenders submitted by Bulk Materials Australia (Trading as SCE Recycling), Soilco Pty Ltd, Clearly Bros Bombo Pty Ltd, and Buttai Gravel Pty Ltd (T/A Daracon Quarries) for the Provision of Construction Materials (Road Base Materials).

Council accept the tenders submitted by Buttai Gravel Pty Ltd (T/A Daracon Quarries) and Clearly Bros Bombo Pty Ltd for the Provision of Construction Materials (Sand and Aggregates).

Council accept the tender submitted by Soilco Pty Ltd for the Provision of Construction Materials (Soils and Garden Materials).

The recommended tenderers have satisfied the Tender Assessment Panel that they can provide the materials to Council's standards and in accordance with the technical specification.

Referees nominated by the recommended tenderers have been contacted by the Tender Assessment Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Assessment Panel
- 2 Nominated Referees
- 3 Shellharbour City Council
- 4 Kiama Municipal Council
- 5 Shoalhaven City Council

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal “we are a connected and engaged community”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2022	Operational Plan 2020-21
Strategy	4 Year Action	Operational Plan Actions
4.4.5 Finances are managed effectively to ensure long term financial sustainability.	4.4.5.11 Improve the efficiency of supply management to achieve operational efficiencies.	Continue to progress the Supply Action Plan to achieve long term savings and business improvement.

RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council’s Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the project works or services is considered low based upon Council’s risk assessment matrix and appropriate risk management strategies will be implemented.

SUSTAINABILITY IMPLICATIONS

The proposed tenderers have been selected in part for their capacity to include local businesses and persons into the delivery of these works.

FINANCIAL IMPLICATIONS

It is proposed that the cost of the materials purchased through this tender will be funded from the individual project allocations within the annual capital budget.

The estimated cost of these materials per year is in the order of \$300,000 per year (excluding GST).

CONCLUSION

Soilco Pty Ltd, Cleary Bros Bombo Pty Ltd, Buttai Gravel Pty Ltd (T/A Daracon Quarries) and Bulk Materials Australia (T/A SCE Recycling) have submitted acceptable tenders for this project and Council should endorse the recommendations of this report.